

February 7, 2008

To: **All Michigan Film Advisory Commission Members**

From: **Cory A. Jacobson**

Re: **Proposed Film Office Move to MEDC**

I received the attached e-mail from John Kelly late last night and I feel compelled to respond to Commission members as a group on this subject. Are we to understand that this e-mail is suggesting the move of the Film Advisory Commission to MEDC? It is my understanding that the Film Advisory Commission is a gubernatorial body and how can we move the Commission without the Governor's approval?

I am sorry to say that I have an opposing view regarding the last request brought before the commission to move the Film Office to MEDC and certainly would not advocate the movement of the Film Advisory Commission. I have spoken to many people concerning this matter and the vast majority certainly does not share the view of the effectiveness of MEDC or see any benefit in this move.

Under the present structure, the Michigan Film Office has a sufficient budget to hire or outsource needed audit functions and or additional staff assistance. In an era when tax payers are particularly cognizant of how their Government is spending every tax dollar, it seems only prudent to demonstrate a clear need for additional staff and spending. It is my understanding that the Louisiana Film Office has 3 employees and certainly they have managed one of the most successful state film offices in the United States. The current structure of the Film Office at HAL provides the necessary flexibility to make these adjustments without making a wholesale change in the manner in which it does business. Public transparency of how funds are spent is equally important if we are to expect to continue to enjoy public and political support for our incentive bills. Since MEDC is a quasi-governmental organization, the budgetary transparency enjoyed at HAL and the ongoing guarantee that funds intended for use by the Film Office are used for their intended purpose may be lost.

The arguments about the benefits of MEDC seem to me to be hollow due the fact that the Film Office was once part of MEDC and they were unable at that time to provide the now promised additional resources and or leverage to make any significant contributions to the operation of the Film Office. As a tax payer, business person and Commission member I have to ask the question why there is a sudden urgency to return to a structure that has proven itself to be ineffective in the past.

Considering the fact that considerable steps have already independently been taken by members of this Commission to secure the support for this move to MEDC from the Governor, it seems the vote of the Commission has been rendered unimportant. It is my understanding that the Commission was created to provide a forum for opinions to promote film production in Michigan and render advice to the Governor and the legislature. We certainly do not have any authority to make decisions; but we are in place to deliver collective advice. The move to MEDC issue was tabled during our last meeting in order to provide the commission members the opportunity to research the matter before voting. Considering the fact the decision has already been made, the choice the Commission makes seems to have been made irrelevant and in my opinion seriously undermines the Commission and its intended purpose.

Most have expressed the view that the pending legislation should be our first and only priority and a negative battle over the MEDC matter is a terrible distraction. I agree with that position completely as we have been working steadily for 5 years to obtain a truly meaningful incentive. However, I believe it is irresponsible for me as a member of this Commission not state my views clearly about a matter which was brought up for a vote by the Commission that I truly believe is not in the best interests of the Film Office or the promotion of film production in Michigan.

Thank you.